

STATEMENT OF BASIS (AI No. 99407)

For draft Louisiana Pollutant Discharge Elimination System permit No. LA0123455 to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Cameron LNG, LLC
Cameron LNG Facility
Post Office Box 439
Hackberry, Louisiana 70645

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Valerie Powe
Water Permits Division
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DATE PREPARED: September 17, 2009

1. PERMIT STATUS

A. Reason For Permit Action: Major Modification of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a five year term following regulations promulgated at LAC 33:IX.2711/40 CFR 122.46*.

- * In order to ease the transition from NPDES to LPDES permits, dual regulatory references are provided where applicable. The LAC references are the legal references while the 40 CFR references are presented for informational purposes only. In most cases, LAC language is based on and is identical to the 40 CFR language. 40 CFR Parts 401 and 405-471 have been adopted by reference at LAC 33:IX.4903 and will not have dual references. In addition, state standards (LAC 33:IX.Chapter 11) will not have dual references.

LAC 33:IX Citations: Unless otherwise stated, citations to LAC 33:IX refer to promulgated regulations listed at Louisiana Administrative Code, Title 33, Part IX.

40 CFR Citations: Unless otherwise stated, citations to 40 CFR refer to promulgated regulations listed at Title 40, Code of Federal Regulations in accordance with the dates specified at LAC 33:IX.4901, 4903, and 2301.F.

B. NPDES permit - NPDES permit effective date: N/A
NPDES permit expiration date: N/A

C. LPDES permit - * EPA has not retained enforcement authority*
LPDES Permit LA0123455, effective date: July 1, 2008
LPDES Permit LA0123455, expiration date: June 30, 2013
LPDES Permit LA0123455, modified date: October 1, 2008

LPDES Permit LAR10D143, for construction activities, effective date: October 1, 2009

LPDES Permit LAR10D143, for construction activities, expiration date: September 30, 2014

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LPDES Hydrostatic LAG670091 Permit effective date: May 30, 2007
LPDES Hydrostatic LAG670091 Permit expiration date: August 31, 2010

C. Date Application Received: June 9, 2009.

2. FACILITY INFORMATION

A. FACILITY TYPE/ACTIVITY - liquefied natural gas (LNG) storage and regassification facility

According to the application, the facility receives and stores LNG in large tanks. The LNG is regassified prior to transmission through a pipeline. The combustion water is condensed in the submerged combustion vaporizers (SCV) and discharged to outfall 005.

The discharges from this site include discharges of treated sanitary wastewater, stormwater runoff and auto wedge wastewater, stormwater runoff and air conditioning condensate (AC), firewater pump test wastewater, vaporizer overflow, and washdown water.

B. FEE RATE

1. Fee Rating Facility Type: minor
2. Complexity Type: I
3. Wastewater Type: III
4. SIC code: 4925

C. LOCATION – 301 Main Street, Hackberry, Cameron Parish (Latitude 30°02'19", Longitude 93°20'21")

3. OUTFALL INFORMATION

Outfall 007 Deleted

Outfall 008 Deleted

Outfall 009 Deleted

Outfall 010

Discharge Type: stormwater runoff and air conditioning condensate

Treatment: none

Location: at the point of discharge inside the catch basin before entering the discharge pipes at midpoint south of Parking Area 4 prior to mixing to other waters (Latitude 30°02'19.4", Longitude 93°20' 32").

Flow: estimated flow of 1,197 GPD

Discharge Route: from the outfall located at the south of Parking Area 4 prior to discharging to an unnamed drainage ditch thence to the Calcasieu Ship Channel.

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Basin and Segment: Calcasieu River Basin, Segment No. 030401

4. RECEIVING WATERS

STREAM – Calcasieu Ship Channel

BASIN AND SEGMENT – Calcasieu River Basin, Segment 030401

DESIGNATED USES -

- a. primary contact recreation
- b. secondary contact recreation
- c. propagation of fish and wildlife
- e. oyster propagation

5. ADDITIONAL CONSIDERATIONS REQUESTED BY CAMERON LNG, LLC

Cameron requested the following revisions/language to LPDES permit LA0123455:

Outfall 010, this outfall has been revised to include stormwater runoff and AC condensate from the Administration Building's air conditioning system.

Outfall 010 drains water from a small paved parking area and includes only stormwater and water from the AC condensate. Cameron LNG respectfully requests that visual monitoring be the only requirement for this outfall. If this is not possible then Cameron LNG requests that after a determined amount of passing samples are attained, the requirement revert to visual monitoring.

Outfall 011, this outfall has been added to encompass the "Auto Wedge" discharge. The "Auto Wedge" is a security spike system equipped with electric pumps which automatically pump any accumulated stormwater to discharge point.

The only liquids that will drain into the "Auto Wedge" will be stormwater from the adjacent surrounding concrete paved area. Cameron respectfully requests that visual monitoring be the only requirement for this outfall. If this is not possible, then Cameron LNG requests that after a determined amount of passing samples are attained, the requirement revert to visual monitoring.

Outfalls 007, 008, and 009, these outfalls are similar to Outfall 011 in that only stormwater is drained. Outfalls 007-009 encompass asphalt areas. These areas covered, limiting exposure to stormwater, and are buffered by gravel prior to reaching discharge points.

Cameron LNG respectfully requests that visual monitoring be the only requirement for Outfalls 007-009. If this is not possible, then Cameron LNG requests that after a determined amount of passing samples are attained, the requirement revert to visual monitoring.

Response to Cameron's Request

This Office approves the request to include air conditioning condensate with stormwater runoff in Outfall 010 and approves visual monitoring for "stormwater runoff only" from the adjacent surrounding paved area that will drain into the auto wedge. The request to include only visual monitoring for Outfall 010 will not be granted. Based on the final amendments to the 2006 Oil and Gas Storm Water Final Rule Questions & Answers (Q&A No. 12), storm water discharges from this LNG facility will not be exempt for stormwater. Therefore, in lieu of effluent limitations, this Office will revise "stormwater only" requirements for Outfalls 007, 008, and 009 to allow visual monitoring and require Cameron to comply with part II stormwater requirements and modify their existing Storm Water Pollution Prevention Plan (SWPPP) to include these areas.

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6. PROPOSED EFFLUENT LIMITS

Outfall 010 - stormwater runoff and air conditioning condensate:

Parameter	Monthly Average	Daily Maximum	Frequency	Sample Type
Flow	Report	Report	1/quarter	Estimate
TOC	---	50 mg/L	1/quarter	Grab
Oil & Grease	---	15 mg/L	1/quarter	Grab
pH	6.0 min	9.0 max	1/quarter	Grab

Flow: established in accordance with LAC 33:IX.2707.I.1.b. These requirements will be retained from the current LPDES permit, effective July 1, 2008.

TOC: effluent limitation and monitoring requirements are consistent with permitted facilities with similar operations and stormwater guidance at a frequency of 1/quarter. These requirements will be retained from the current LPDES permit, effective July 1, 2008.

Oil and Grease: effluent limitation and monitoring requirements are consistent with permitted facilities with similar operations and stormwater guidance at a frequency of 1/quarter. These requirements will be retained from the current LPDES permit, effective July 1, 2008.

pH: effluent limitations are established in accordance with LAC33:IX.1113.C.1. Ph shall be monitored 1/quarter. These requirements have been retained from the current LPDES permit, effective July 1, 2008.

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7. COMPLIANCE HISTORY/COMMENTS

A. Compliance History

There are no open water enforcement actions for Cameron LNG, LLC, Cameron LNG Facility.

An Expedited Penalty Agreement and Notice of Potential Penalty XP-AE-07-0003 in the amount of \$500.00 was issued for failure to submit the Title V Semiannual Monitoring Report from January through June 2006.

B. Inspections

A Compliance Evaluation Inspection was conducted on December 23, 2008 by Kevin Natali. The inspector determined that construction is on-going and no deficiencies were observed.

C. DMR Review/Excursions

A review of the DMRs from August 1, 2008 to June 30, 2009 revealed there were no excursions.

8. "IT" QUESTIONS - APPLICANT'S RESPONSES

This is a existing minor facility. IT questions were not required to be addressed.

9. ENDANGERED SPECIES

The receiving waterbody, Subsegment 030401 of the Calcasieu River Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. It was determined that the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat.

10. HISTORIC SITES

The discharge is from an existing facility. There should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

11. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to permit the discharges described in the application.

12. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on

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the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

13. STORMWATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

The SWP3 shall be modified, implemented, and maintained within six (6) months of the effective date of the final permit. The plan should identify potential sources of stormwater pollution and ensure the implementation of practices to prevent and reduce pollutants in stormwater discharges associated with industrial activity at the facility.

14. 303(d) WATERBODY IMPAIRMENTS

Outfall 010, include discharges of stormwater runoff and air conditioning condensate and discharges of stormwater runoff from various areas on-site to the Calcasieu Ship Channel, Subsegment 030401.

Subsegment 030401, Calcasieu Ship Channel, is listed on LDEQ's Final 2006 303(d) list as impaired for fecal coliform as a result of sewage discharges in unsewered areas. Although TMDL's for the Cacaseiu River Basin were due to be completed by 2001, a TMDL has not yet been developed for fecal coliform for this waterbody. Effluent limitations for fecal coliform were established in the current permit, at Internal Outfall 106, to ensure that the integrity of the waterbody is maintained.

Subsegment 030401 was previously listed as impaired for priority organics. The Final TMDL for Toxics in the Calcasieu Estuary was finalized on May 2002. The available water data was evaluated for criterion exceedances and none were found. Therefore, no additional requirements were established for this facility.

The Department of Environmental Quality reserves the right to impose more stringent discharge limitations and/or additional restrictions in the future to maintain the water quality integrity and the designated uses of the receiving water bodies based upon additional TMDL's and/or water quality studies. The DEQ also reserves the right to modify or revoke and reissue this permit based upon any changes to establish TMDL's for this discharge, or to accommodate for pollutant trading provisions in approved TMDL watersheds as necessary to achieve compliance with water quality standards.